

**A Resolution of the Common Council of the City of Evansville
In Support of Economic Development Incentives Offered to
Sigma Packaging LLC by the
City of Evansville to Expand Operations at
3001 Maxx Road, and
2000 Lynch Road**

WHEREAS, the City of Evansville ("the City") is considering an economic development incentive to Sigma Packaging LLC ("the Company") to retain existing jobs and expand their operations in Evansville, IN, adding new jobs; and,

WHEREAS, the City is desirous of supporting the retention and expansion of the Company's operations in Evansville, Indiana, and the usage of the 3001 Maxx Road, and 2000 Lynch Road property; and the company will add 43 Evansville area jobs within the next two years; and,

WHEREAS, the City offers a local Hiring/Training grant in support of other incentives received by the Company from the State of Indiana; and,

WHEREAS, the local grant, combined with a grant from the State of Indiana and investment from the Company will support upgrading and expanding their infrastructure in the City of Evansville known as 3001 Maxx Road, and 2000 Lynch Road, Evansville, IN; and,

WHEREAS, the upgrade and placement of new equipment that serves the 3001 Maxx Road, and 2000 Lynch Road facilities are required to support manufacturing, sales and logistics which will create 43 new jobs in Evansville.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Evansville as follows:

Section 1. The Common Council finds that the proposed offer of a \$30,000 Hiring/Training grant, to be combined the investment of approximately \$2.8 million in infrastructure and equipment by the Company will benefit the economic well-being of the City, the State, and their citizens, creating 43 new jobs.

Section 2. The Council supports the objectives and aims of the proposed incentive offer to Sigma Packaging LLC and, in approving this Resolution, states its support for the proposed grant.

Section 3. This resolution will be in effect from and after its passage and approval by the Mayor.

FILED

DEC 22 2014

Anna Widner
CITY CLERK

PASSED BY the Common Council of the City of Evansville, Indiana, on the 26 day of January, 2015, on said day signed by the President of the Common Council and attested by the City Clerk.



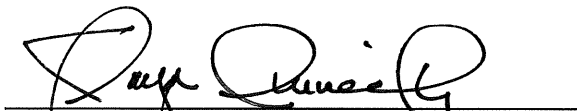
**H. Dan Adams, M.D.,
President of the Common Council**

ATTEST: Laura Windhorst
Laura Windhorst, City Clerk

Presented by me, the undersigned City Clerk of the City of Evansville, Indiana, to the Mayor of said city, this 28 day of January, 2015, for his consideration and action thereon.

Laura Windhorst
**Laura Windhorst, City Clerk
City of Evansville, Indiana**

Having examined the foregoing resolution, I do now, as Mayor of the City of Evansville, Indiana, approve said resolution and return the same to the City Clerk this 2ND day of FEBRUARY, 2015.


**Lloyd Winnecke, Mayor
City of Evansville, Indiana**

APPROVED AS TO FORM
BY TED ZIEMER, CORPORATION COUNSEL



Application for Economic Revitalization Area Designation

General Information			
Name of Taxpayer Seeking Phase-In	Sigma Packaging LLC / Victor Holdings LLC / Lynch Road Holdings LLC		
Street Address of Taxpayer	3001 Maxx Road / 2000 Lynch Road		
City, State, Zip	Evansville, IN 47711		
Name of Authorized Representative	Robert Palmer		
Street Address of Authorized Representative	3001 Maxx Road		
City, State, Zip	Evansville, IN 47711		
Phone and Fax	812-303-8383 / 812-303-8103		
Proposed Project Information			
Address of Property	3001 Maxx Rd / 2000 Lynch Rd	Tax Code(s) for Property	12-240-34-295-004 / 12-240-34-293-007
Size of Property (sf)	12.05 Acres / 18.25 Acres	NAICS Code	423830, 425110
City, State, Zip	Evansville, IN 47711	Current Zoning	M-2 / M-1
Township	Center	TIF District	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Legal Description of Property	Parcel ID: 82-06-15-034-295.004-020 PT NW 1/4 15-6-10 Parcel ID: 82-06-10-034-293.007-020 PT W1/2 SW NW 10-6-10		
Provide a brief description of the applicant's business, including company history, products(s), facilities, sales and corporate growth, and corporate employment. Also discuss any applicable future growth, planned expansions, and/or corporate diversification, where applicable. (You may attach it as "Company Profile")			
See attached "Company Profile"			
Project Overview			
Provide a Detailed Description of the Proposed Project (including how the Subject Property will be used, physical changes made to the property)	<p>This project has two layers. First we will provide additional office space at the facility located on 3001 Maxx Road. Our plans include 20 offices, a cafeteria and meeting rooms. By 2016 we plan a major expansion that will provide the additional space required as well as room to grow.</p> <p>The second part of this project is to purchase the facility at 2000 Lynch Road (former Inland Container building). This will provide the necessary room to increase our inventory as well as room to expand the company's eBay division.</p>		
*Will the Project Require Additional Municipal Services or Facilities?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
*If yes please state need			

Employment/Benefit Information						
Project Cost Estimate						
	Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
Purchase of real estate and improvements	2,700,000					
Site preparation						
Demolition						
Construction of new structures						
Rehabilitation of existing structures						
Infrastructure improvements						
Architecture & engineering fees						
Development fees						
Total cost of manufacturing and research & development equipment – new to Indiana		192,110	119,470	113,980	126,460	
Total project cost for real estate component of project	2,700,000	500,000	850,000	850,000		
Has this new equipment ever been installed and in use elsewhere in the state of Indiana?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Date new manufacturing/research & development equipment is to be installed?			As needed

Calendar Year	Number of Current Full-Time Permanent Employees at Project	Hourly/Average Wage W/O Fringe Benefits/Bonuses	New Full-Time Permanent Employees at Project	Number of Part-Time Employees
3 Years Ago	16	26.47		
2 Years Ago	20	23.75		
1 Year Ago	19	19.83		
Current Year	27	21.13		
Year 1	48	20.31	17	
Year 2	57	20.75	9	
Year 3	62	22.35	5	
Year 4	74	22.74	12	

If Tax Phase-In were not granted, how many current jobs would be lost or jeopardized? If any, please attach a supporting explanation (attach as "Potential Job Loss")		No current jobs will be lost or jeopardized, however, there could be a reduction of projected new positions.			
Identify the type(s) of work or position(s) of the new employees.	Sales, Purchasing, IT, and Machinery Technicians	Employees' Educational Requirements (Percentage of new hires)			
		High School Diploma	2 yr Degree/Certificate	4 yr Degree	>4 yr Degree
		21%	56%	23%	
Identify the company benefits offered to employees.	50% of Employee's medical insurance premium is paid by the company. Company match of employee's contributions to 401(k) up to 4% of employee wages. 21 paid days off (168 hours) each year				
What is the value of these benefits (as a percentage of base pay)?	17% per year	Does the taxpayer have an affirmative action plan?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

Contribution of Company	
In what ways has the company contributed to the improvement of the neighborhood or surrounding area, or participated in community activities or programs?	By occupying the facilities at 3001 Maxx Rd, 4920 O'Hara, and 2000 Lynch Rd the company is preventing the decline of the neighborhood. Sigma Packaging has donated to various local charities, including the Vanderburgh Humane Society, American Cancer Society, cMoe, the United Leasing Championship, and local schools.
Is it your intent to use your best efforts to hire local contractors for the building and/or installation of equipment?	Yes.

*Please attach any additional information that you feel will assist in evaluated this request for property tax phase-in.

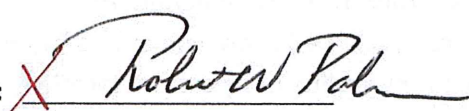


Click "Sign" to fill out and sign this form. When you are done, you can save a copy by clicking "Done Signing".

I understand that if tax phase-in is granted for this project, that the Applicant will be required to submit a "Compliance with Statement of Benefits" form annually; and

It is my further understanding that if the Applicant should fail to comply with its commitments in job creation, job retention, project investment and/or any other commitments associated with its tax phase-in application, that the designating body has the right, after conducting a public hearing, to terminate said tax phase-in deductions.

I hereby affirm and certify that the information and representations of fact made in this application are true and complete.

Signature: 

Title: President

Date: 12/2/14

For this application to be complete, it must be accompanied by a signed "Statement of Benefits" (State Form 27167) and a check for the appropriate application fee. The check should be made payable to the Growth Alliance for Greater Evansville (GAGE).

Application Fees:

Real Estate Improvements	\$500.00
New Manufacturing or Research & Development Equipment	\$250.00

Application Fee Submitted: \$750⁰⁰

Growth Alliance for Greater Evansville
Phone: (812) 401.4243
Email: info@GrowthAllianceEvv.com
www.GrowthAllianceEvv.com

Update: Tuesday, August 13, 2013



3001 Maxx Road
Evansville, IN 47711
Phone: (812) 303-8383
Fax: (812) 303-8103
www.sigmapackaging.com

Company Profile

Sigma Packaging buys and sells used manufacturing equipment, primarily in the processing and packaging industries. The company is internet-based with customers located around the globe.

Rob Palmer started this company in 2003 above his garage with one employee. Since then it has grown to occupy 2 facilities, employ 29 individuals with a payroll over \$1.2 million, and earn gross income over \$9 million in 2014.

We are very proud of the success we have achieved in the past 11 years, but in order to continue this path we need to expand our operations significantly. An increase in the number of employees is necessary to grow the company; however, as of December 8, 2014, we have no available office space.

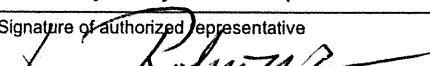
Our plan has two layers; first, expand the current facility to provide additional office space. We have plans to add 20 offices, a cafeteria, and meeting rooms. This will fill our immediate need; by 2016 we plan a major expansion that will provide the additional space required as well as providing room to grow.

The second part of this project is to increase available storage. In order to increase the company's income potential new inventory space must be acquired. The facility located at 2000 Lynch Road (formerly the Inland Container building) has been identified as an ideal location. This option provides two benefits; one, more room to store inventory. The second benefit of purchasing this facility is the option to either relocate the company's eBay division to this larger facility, or to expand the eBay division's footprint at the current facility. At its current location, the eBay division is incapable of growing. There are currently two employees in this division; this needs to grow to 10 employees or more in the next 5 years.

Prescribed by the Department of Local Government Finance

FORM SB-1 / Real Property☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, **BEFORE** a deduction may be approved.
3. To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, Whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]
5. The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer Sigma Packaging LLC / Victor Holdings LLC / Lynch Road Holdings LLC					
Address of taxpayer (number and street, city, state, and ZIP code) 3001 Maxx Road AND 2000 Lynch Road, Evansville, IN 47711					
Name of contact person Robert Palmer		Telephone number (812) 303-8383		E-mail address rpalmer@sigmapackaging.c	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body Common Council of the City of Evansville				Resolution number C-2014-43	
Location of property 3001 Maxx Road AND 2000 Lynch Road		County Vanderburgh		DLGF taxing district number 82-020	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) 3001 Maxx: Addition of 20 new offices in 2015 and \$1.7 million building expansion in 2016-2017. 2000 Lynch Rd: Purchase of vacant facility				Estimated start date (month, day, year) 12/01/2014	
				Estimated completion date (month, day, year) 00/00/2018	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 27.00	Salaries \$1,186,661.00	Number retained 27.00	Salaries \$1,186,661.00	Number additional 43.00	Salaries \$2,033,866.00
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values					
Plus estimated values of proposed project		4,900,000.00			
Less values of any property being replaced					
Net estimated values upon completion of project					
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____		
Other benefits					
SECTION 6 TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 		Title President		Date signed (month, day, year) 12/02/2014	

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this Economic Revitalization Area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
- | | | |
|--|------------------------------|-----------------------------|
| 1. Redevelopment or rehabilitation of real estate improvements | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Residentially distressed areas | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Occupancy of a vacant building | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____
- E. The deduction is allowed for _____ years* (see below).

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body)	Telephone number	Date signed (month, day, year)
Attested by (signature and title of attester)	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.12-12.1-4.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 2. If the Economic Revitalization Area was designated after June 20, 2000, the deduction period may not exceed ten (10) years.
- C. For vacant buildings, the deduction period may not exceed two (2) years.

**STATEMENT OF BENEFITS
PERSONAL PROPERTY**

State Form 51764 (R / 1-06)

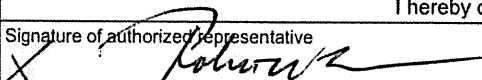
Prescribed by the Department of Local Government Finance

FORM SB-1 / PP**PRIVACY NOTICE**

The cost and any specific individual's salary information is confidential; the balance of the filing is public record per IC 6-1.1-12.1-5.1 (c) and (d).

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to installation of the new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment, **BEFORE** a deduction may be approved
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must submit Form CF-1 / PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. The schedules established under IC 6-1.1-12.1-4.5(d) and (e) apply to equipment installed after March 1, 2001. For equipment installed prior to March 2, 2001, the schedules and statutes in effect at the time shall continue to apply. (IC 6-1.1-12.1-4.5(f) and (g))

SECTION 1		TAXPAYER INFORMATION						
Name of taxpayer Sigma Packaging LLC / Victor Holdings LLC / Lynch Road Holdings LLC								
Address of taxpayer (number and street, city, state, and ZIP code) 3001 Maxx Road AND 2000 Lynch Road, Evansville, IN 47711								
Name of contact person Robert Palmer		Telephone number (812) 303-8383						
SECTION 2		LOCATION AND DESCRIPTION OF PROPOSED PROJECT						
Name of designating body Common Council of the City of Evansville		Resolution number (s) C-2014-43						
Location of property 3001 Maxx Road AND 2000 Lynch Road	County Vanderburgh	DLGF taxing district number 82-020						
Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment. (use additional sheets if necessary) Packaging and processing equipment, fork lifts and other logistics equipment, computers, servers, and other IT equipment.		ESTIMATED						
		START DATE	COMPLETION DATE					
		Manufacturing Equipment	01/01/2015	00/00/2019				
		R & D Equipment						
		Logist Dist Equipment	01/01/2015	00/00/2019				
IT Equipment	01/01/2015	00/00/2019						
SECTION 3		ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT						
Current number 27	Salaries 1,186,661.00	Number retained 27	Salaries 1,186,661.00	Number additional 43	Salaries 2,033,866.00			
SECTION 4		ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT						
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.	MANUFACTURING EQUIPMENT		R & D EQUIPMENT		LOGIST DIST EQUIPMENT		IT EQUIPMENT	
	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE	COST	ASSESSED VALUE
Current values								
Plus estimated values of proposed project	100,000.00				100,000.00		102,020.00	
Less values of any property being replaced								
Net estimated values upon completion of project								
SECTION 5		WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER						
Estimated solid waste converted (pounds) _____		Estimated hazardous waste converted (pounds) _____						
Other benefits:								
SECTION 6		TAXPAYER CERTIFICATION						
I hereby certify that the representations in this statement are true.								
Signature of authorized representative 		Title President		Date signed (month, day, year) 12/02/2014				

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.

B. The type of deduction that is allowed in the designated area is limited to:

1. Installation of new manufacturing equipment;
2. Installation of new research and development equipment;
3. Installation of new logistical distribution equipment.
4. Installation of new information technology equipment;

<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> Yes	<input type="checkbox"/> No

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ _____ cost with an assessed value of \$ _____.

D. The amount of deduction applicable to new research and development equipment is limited to \$ _____ cost with an assessed value of \$ _____.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ _____ cost with an assessed value of \$ _____.

F. The amount of deduction applicable to new information technology equipment is limited to \$ _____ cost with an assessed value of \$ _____.

G. Other limitations or conditions (specify) _____

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction on or after July 1, 2000, is allowed for:

- | | |
|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> 1 year | <input type="checkbox"/> 6 years |
| <input type="checkbox"/> 2 years | <input type="checkbox"/> 7 years |
| <input type="checkbox"/> 3 years | <input type="checkbox"/> 8 years |
| <input type="checkbox"/> 4 years | <input type="checkbox"/> 9 years |
| <input type="checkbox"/> 5 years ** | <input type="checkbox"/> 10 years ** |

** For ERA's established prior to July 1, 2000, only a 5 or 10 year schedule may be deducted.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved: (signature and title of authorized member)

Telephone number

Date signed (month, day, year)

Attested by:

Designated body

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.1-12.1-4.5



CITY OF EVANSVILLE

ONE N.W. MARTIN LUTHER KING, JR. BLVD. • ROOM 302
EVANSVILLE, INDIANA 47708-1833

(812) 436-4962 • FAX (812) 436-4966 • TDD/TTY (812) 436-4928
www.EvansvilleGov.org

OFFICE OF THE MAYOR
LLOYD WINNECKE

December 1, 2014

Mr. Rob Palmer
3001 Maxx Road
Evansville, IN 47711

Dear Mr. Palmer:

The following letter outlines the City of Evansville's commitments¹ to *Sigma Packaging LLC (Sigma)* with respect to the expansion of *Sigma* at the Evansville, Indiana facility. *Sigma's* project will consist of the purchase of additional property located at 2000 Lynch Road, Evansville, IN 47111 (approximate value \$2,700,000), approximately \$2.2 million in new capital cost and \$618,020 personal property investment in equipment new to the State of Indiana and the addition of approximately 43 new jobs at an average wage of approximately \$22.00 per hour.

Financial Assistance Funded From Tax Phase-In

The City will offer a 10-year Tax Phase-In on real and personal property investment for the purpose of assisting *Sigma* with the Project. Tax Phase-In allows for the gradual phasing in of property tax that has occurred due to an increase in the assessed value of a building and/or the purchase of equipment. In a 10-year Tax Phase-In, any additional tax owed due to construction of or improvements made to the building and/or purchase of certain equipment, occur in graduated steps. Full taxes on these improvements will commence in the 11th year

The 10-year Tax Phase-In for real and personal property provides an estimated value of \$351,655².

¹ The commitments outlined in this letter do not include any incentive or assistance which may be offered directly to *Sigma* by the Indiana Economic Development Corporation or any other governmental units.

² This is an approximate amount, and is dependent upon assumptions and projections of property tax rates and depreciation, and; this is an approximate amount and is dependent upon assumptions and projections of property tax rates.

Training Grant – City of Evansville

The City will offer a Hiring/Training Grant in support of other incentives received by *Sigma* from the State of Indiana or State Workforce Development. The local hiring/training grant allows for a broad range of flexibility to support training activities, relocating machinery/equipment to be used in manufacturing process and training process, and/or recruitment. Further discussions could help identify the specific needs of *Sigma*. This hiring/training grant is for a 50/50 company hiring/training match of \$500 for every Evansville resident hired over the next 2 years, up to a maximum of \$30,000.

Limitation on City Obligations

The City's financial obligations to *Sigma* with respect to the Project shall be limited to the Financial Assistance Commitment described above. *Sigma* shall be responsible for completion of the Project, including but not limited to real/personal property investment.

Approvals

The Incentives are subject to further local action and approvals, which the City will pursue promptly upon acceptance hereof by *Sigma*.

Conditions

The Incentives are based upon *Sigma* (a) the creation of 43 additional positions at the Project locations by the dates and with hourly wages as described in the Indiana Project Profile and (b) making the investment in real and personal property in the amounts and by the dates as described within the Indiana Project Profile.

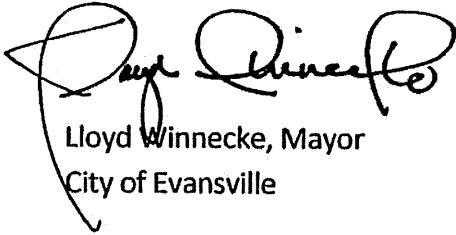
If for any reason *Sigma* does not timely fulfill the employment, hourly wage, or projected investment, the City reserves the right, by Indiana Statute or pursuant to the terms of the above noted Project Agreement, to receive back from the Company a rebate of the Incentives pursuant to the terms of the Project Agreement.

The City will limit its investment to the amount of the Financial Assistance Commitment. It shall be the responsibility of *Sigma* to provide for all costs associated with the Project, including but not limited to, investment in property.

The City's offer will remain available for written acceptance by *Sigma* until January 31, 2015. Please confirm your acceptance hereof by dating, signing and returning a signed copy. We are excited about

Sigma's Project and look forward to working with you to ensure that your company continues its success in our community.

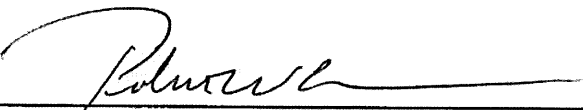
Sincerely,



Lloyd Winnecke, Mayor
City of Evansville

ACCEPTED:

Sigma & Company LLC

By: 

Date: 11/24/14

ROBERT W. PALMER
Printed Name and Title

November 20, 2014



Robert Palmer
Owner
Sigma Packaging LLC
3001 Maxx Road
Evansville, IN, 47711

Project ID: 417311

Dear Mr. Palmer:

The Indiana Economic Development Corporation ("IEDC") is pleased to learn that Sigma Packaging LLC (the "Company") is considering Vanderburgh County as a site for its expansion ("Project"). We have been advised that the Project involves a capital investment of approximately \$5,518,020 and the creation of approximately 43 net new full-time positions for Indiana resident employees, earning an average wage of \$22.74 an hour by 2018. In addition, the company will continue to employ 27 full-time Indiana resident employees, earning an average wage of \$21.13 an hour.

Economic Development for a Growing Economy Program

The IEDC will offer up to \$200,000 in Economic Development for a Growing Economy ("EDGE") tax credits over a 10-year period (2015-2024). The calculation is based on the creation of 43 net new full-time positions for Indiana resident employees in connection with the Project, earning an average wage of \$22.74 per hour by the year 2018. The current employment level of 27 employees will be established as the base above which new employees can be counted toward the job creation goal. In order to receive an EDGE tax credit, the Company must commit to the location and operation of the Project in Indiana for at least two (2) years after the last year in which an EDGE tax credit is claimed.

Hoosier Business Investment Credit

The IEDC will offer the Company an amount equal to the lesser of (i) 9% of the Company's qualified investment made on or before December 31, 2017; or (ii) \$150,000 under the Hoosier Business Investment Tax Credit program. This non-refundable credit may be claimed against the Company's Indiana income tax liability and may be carried forward for a period of up to 9 years from the year in which the qualifying investment is made.

The proposal set forth in this letter shall remain available for acceptance by the Company until December 22, 2014. As we proceed forward, the base employment level will be verified upon receipt by the IEDC of the Company's employment level certification. The Commencement Date of any incentive agreements resulting from this offer shall be the date of this letter, which means that the company's performance only after that date will be incentivized with tax credits and/or grants, as outlined above. Upon request, the Company must also provide the IEDC an update on the status of the Project. All incentives are subject to the final review and approval of the IEDC. This letter supersedes any and all previous correspondence concerning this project.

To accept this offer of incentives, please return this document with the attached acceptance letter to our project manager, Susan Vaughn. Please feel free to contact Susan at 812-492-4415 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to be 'KA', with a long horizontal stroke extending to the right.

Kent Anderson
Vice President

The Company accepts the above offer of the Indiana Economic Development Corporation and desires to work with the IEDC to confirm all application information and complete these incentives through the negotiation and execution of final incentive agreements, all in due course. The company affirms that the IEDC incentives offered in this letter are a major factor in the Company's decision to proceed with the project as summarized herein. The undersigned represents that he or she is duly authorized to accept this offer on behalf of the Company.

Sigma Packaging LLC

By: _____



Printed: _____

ROBERT W. PALMER

Its: _____

PRESIDENT

Company: _____

SIGMA PACKAGING, LLC

Date: _____

11/24/14

City of Evansville, IN
Tax Phase-in Application Scoring

Real Property

Company Name: Sigman Packaging

Application Date: 12/2/2014

1. Investment or percent of assets -choose higher points (25 points maximum)

25

Up to \$500,000	0 - 5%	5 points
\$500,001 to \$1 million	6 - 10%	10 points
\$1,000,001 to \$3 million	11 - 15%	15 points
\$3,000,001 to \$5 million	16 - 20%	20 points
\$5 million +	more than 20%	25 points

2. Anticipated new Full Time employment within 5 years (25 points maximum)

15

5 to 20 employees	5 points
21 to 40 employees	10 points
41 to 60 employees	15 points
61 to 80 employees	20 points
81 employees +	25 points

3. If tax phase-in is not granted, how many current jobs would be lost or jeopardized? (30 points maximum)

20

1 to 10 employees	10 points
11 to 20 employees	15 points
21 to 30 employees	20 points
31 to 40 employees	25 points
41 employees +	30 points

4. Wage level - The average county wage = \$18.05/hr for Vanderburgh County determined by Indiana Department Workforce Development. (20 points maximum)

20

= Vanderburgh Co. average wages (+/- 5%)	3 points
6% to 19% > Vanderburgh Co. average wages	7 points
20% > Vanderburgh Co. average wages	10 points
Value of benefits is => 15% of base pay	10 points

5. Use, reuse, rehabilitation and/or expansion of an existing facility. (15 points maximum)

15

6. Targeted Business - The applicant is deemed a "good fit" for Evansville/Vanderburgh County (i.e. environmentally friendly, high technology industry, enhances economic diversification.) (5 points maximum)

0

7. Appropriate location - Investment made in a targeted area such as a Redevelopment Area or Urban Enterprise Zone, and in an appropriate location as determined by the Comprehensive Area Plan. (5 points maximum)

5

8. Company involvement in, and support for, neighborhood and community activities. (5 points maximum)

5

9. Economic need for, and impact of, requested phase-in. (5 points maximum)

5

Total Points

110

Years

10

SCORING	Max. Length of Deduction
10 or less points	1 year
11 to 20 points	2 years
21 to 30 points	3 years
31 to 40 points	4 years
41 to 50 points	5 years
51 to 60 points	6 years
61 to 70 points	7 years
71 to 80 points	8 years
81 to 90 points	9 years
91+ points	10 years

City of Evansville, IN
Tax Phase-in Application Scoring

Personal Property

Company Name: Sigma Packaging

Application Date: 12/2/2014

1. Investment or percent of assets -choose higher points (25 points maximum)

25

Up to \$250,000	0 - 5%	5 points
\$250,001 to \$500,000	6 - 10%	10 points
\$500,001 to \$1 million	11 - 15%	15 points
\$1,000,001 to \$2 million	16 - 20%	20 points
\$2 million +	more than 20%	25 points

2. Anticipated new Full Time employment within 5 years. (25 points maximum)

15

5 to 20 employees	5 points
21 to 40 employees	10 points
41 to 60 employees	15 points
61 to 80 employees	20 points
81 employees +	25 points

3. If tax phase-in is not granted, how many current jobs would be lost or jeopardized? (30 points maximum)

20

1 to 10 employees	10 points
11 to 20 employees	15 points
21 to 30 employees	20 points
31 to 40 employees	25 points
41 employees +	30 points

4. Wage level - The average county wage = \$18.05/hr for Vanderburgh County determined by Indiana Department Workforce Development. (20 points maximum)

20

= Vanderburgh Co. average wages (+/- 5%)	3 points
6% to 19% > Vanderburgh Co. average wages	7 points
20% > Vanderburgh Co. average wages	10 points
Value of benefits is => 15% of base pay	10 points

5. Use, reuse, rehabilitation and/or expansion of an existing facility. (15 points maximum)

15

6. Targeted Business - The applicant is deemed a "good fit" for Evansville/Vanderburgh County (i.e. environmentally friendly, high technology industry, enhances economic diversification.) (5 points maximum)

5

7. Appropriate location - Investment made in a targeted area such as a Redevelopment Area or Urban Enterprise Zone, and in an appropriate location as determined by the Comprehensive Area Plan. (5 points maximum)

5

8. Company involvement in, and support for, neighborhood and community activities. (5 points maximum)

5

9. Economic need for, and impact of, requested phase-in. (5 points maximum)

5

Total Points

115

SCORING	Max. Length of Deduction
10 or less points	1 year
11 to 20 points	2 years
21 to 30 points	3 years
31 to 40 points	4 years
41 to 50 points	5 years
51 to 60 points	6 years
61 to 70 points	7 years
71 to 80 points	8 years
81 to 90 points	9 years
91+ points	10 years

Years

10



Council Meeting - 1/5/2015

SUBJECT: The Growth Alliance has worked closely with Sigma Packaging to assist them in their location decision to retain existing facilities in Evansville and expand a new operation.

Sigma Packaging is a well-respected dealer that specializes in purchasing and selling quality, new and pre-owned processing and packaging equipment. Using the latest technology to maintain a responsive inventory, client databases, and other business libraries, Sigma Packaging offers the following services:

- A large national and international search network is utilized to find equipment you are looking for, allowing customers to attend to their business at hand.
- A wide variety of quality processing and packaging equipment within their current warehouse.
- Equipment sold on consignment, from client's location or Sigma's.
- An Investment Recovery Control System can be employed to manage and maintain all surplus purchasing/re-purchasing equipment already in facility or selling equipment which may be needed by another department.
- Appraisal service for individual pieces or entire plants.
- Auction or liquidate department or entire facilities using Sigma's experienced and proven professionals to bring the greatest financial return on our client's facilities assets.

Sigma Packaging is always exploring new ways to improve itself to stay competitive and better serve our customers.

This project has two layers; first, expand the current facility to provide additional office space. Currently there are 2 small offices open for new employees. The plan is to immediately hire 17 new employees. In the next 5 years, hire 43 new employees. Second, Sigma is out of room to store inventory at the two facilities currently owned by Sigma. In order to increase the company's income potential new inventory space must be acquired. The facility located at 2000 Lynch Road (formerly the Inland Container building) has been identified as an ideal location. This option provides two benefits; first, more room to store inventory. Second, the relocation of the **eBay** division to this larger facility; or an expansion of Sigma's footprint at the current facility. At the current location, the eBay division is incapable of growing. There are currently two employees in this division; this needs to grow to 10 employees or more in the next 5 years. Other options to purchase warehouses in other locations are available that could be geographically beneficial to our business. Another option is to relocate the eBay division to a different state. It has been determined that the eBay division would thrive if located on the east coast of the US. If we aren't able to provide the extra space needed to grow this department, we will consider other more beneficial locations. This would take 5 - 10 positions from the Evansville area.

Sigma Packaging will be hiring 43 new jobs and retaining 27 current jobs in the City of Evansville/Vanderburgh County community.

They are considering an Investment in Evansville according to the following:

- **\$618,020 in New Equipment** (personal property) to Indiana
- **\$2.2 New Infrastructure** (real property) Upgrades at 2000 Lynch Road Building and their current facility located at 3001 Maxx Road
- **Purchase of an unused building** – approximately \$2.7 million

Report to Mayor and City Council | 2015

With this investment comes the addition of **43 new jobs with average wage rate of \$22.00/hour, plus benefits.**

State of Indiana offer: **\$200,000** EDGE Credits, ten-years; **\$150,000** Hoosier Business Investment Credit (9-year carry forward)

Fiscal Impact: Total, positive, Economic Impact of this project for Evansville is:

\$144,723,829 over the next 10 years; or, over \$14.4 million/year.

Recommendation: Understanding the requirements of the project related to location choice, working closely with the executives at Sigma, and reviewing offers available to Sigma from communities outside the State of Indiana, we are recommending the following local incentive package.

This is the package that is required to land this project:

- The City will offer a standard 10-year Tax Phase-In on real and personal property investment for the purpose of assisting *Sigma* with the Project. Tax Phase-In allows for the gradual phasing in of property tax that has occurred due to an increase in the assessed value of a building and/or the purchase of equipment.
The 10-year Tax Phase-In for real and personal property provides an estimated value of \$351,655.
- A grant of **\$30,000** for Training assistance; requires 50/50 match and applicable to Evansville residents hired over the first 2 years of project implementation.

The total value to Sigma would be approximately \$381,655 and the project would generate a positive, Economic Impact of over \$14.4 Million per year for Evansville.

The Growth Alliance has requested, and Sigma has agreed to, execution of an agreement with the City that would require Sigma to reimburse the City for an agreed to amount of the value of the benefits received to date in the event they would decide to relocate these new jobs to another community within the 10 year period. This type of agreement has been referred to as a "claw back agreement" on prior projects.

We are confident, based on negotiations, that the incentive package outlined above is required to land the 43 jobs in Evansville.

Attachments:

Confirming Resolution C-2015-1
Resolution in Support of Economic Incentives C-2015-2
Application for Economic Revitalization Area Designation
City of Evansville Offer Letter
State of Indiana Offer Letter
Form SB-1/PP
Scoring sheets

For additional information contact:

Chris Kinnett, Business Development Director
Growth Alliance for Greater Evansville
812 492 4384 - <mailto:chris@growthallianceevv.com>

**A Resolution of the Common Council of the City of Evansville Confirming
the Declaration of an Economic Revitalization Area for Property Tax Phase-In
for the Construction of Real Property and the acquisition and installation of new
equipment**

**Sigma Packaging LLC
3001 Maxx Road, and
2000 Lynch Road**

WHEREAS, Sigma Packaging LLC (the "Applicant") has made application for Economic Revitalization Area designation, pursuant to IC 6-1.1-12.1 et seq and Evansville Common Council Resolution C-2002-3 As Amended (the "Tax Phase-In Resolution"), for the property located at: See Section 1; and

WHEREAS, heretofore under provisions of Resolution C-2002-3 As Amended, the Common Council of the City of Evansville found the above-described property to meet the requirements of an Economic Revitalization Area pursuant to IC 6-1.1-12.1 et seq and declared said property to be an Economic Revitalization Area; and

WHEREAS, notice of the adoption and substance of the above mentioned resolution has been published in accordance with IC 5-3-1 and the Common Council of the City of Evansville has conducted a public hearing as of the date hereof to determine whether the qualifications for an economic revitalization area have been met; and

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Evansville as follows:

Section 1. The property known as 3001 Maxx Road, Evansville, IN 47711-2931 and 2000 Lynch Road, Evansville, IN 47711-2945, and more particularly described as follows:

Parcel ID: 82-06-15-034-295.004-020
PT NW ¼ 15-6-10, and;

Parcel ID: 82-06-10-034-293.007-020
PT W ½ SW NW 10-6-10

have been found to meet the qualifications for an economic revitalization area as outlined in IC 6-1.1-12.1.

Section 2. Resolution **C-2014-43** adopted by the Common Council on December 15, 2014, is hereby confirmed.

Section 3. The Statement of Benefits submitted by the Applicant and dated December 2, 2014, are hereby approved.

Section 4. This Resolution shall be in full force and effect from and after its passage by the Common Council, signing by the Mayor, and advertisement, if any, as required by law.

PASSED BY the Common Council of the City of Evansville, Indiana, on the _____ day of _____, 2014 on said day signed by the President of the Common Council and attested by the City Clerk.

President of the Common Council, John Friend

ATTEST: _____
Laura Windhorst, City Clerk

Presented by me, the undersigned City Clerk of the City of Evansville, Indiana, to the Mayor of said city, this _____ day of _____, 2014, for his consideration and action thereon.

Laura Windhorst, City Clerk
City of Evansville, Indiana

Having examined the foregoing resolution, I do now, as Mayor of the City of Evansville, Indiana, approve said resolution and return the same to the City Clerk this _____ day of _____, 2014.

Lloyd Winnecke, Mayor
City of Evansville, Indiana

APPROVED AS TO FORM
BY TED ZIEMER, CORPORATION COUNSEL

Attachment 1

Real and Personal Property Schedule

Parcel ID: 82-06-15-034-295.004-020
PT NW ¼ 15-6-10, and;

Parcel ID: 82-06-10-034-293.007-020
PT W ½ SW NW 10-6-10

Resolution C-2015-1

Sigma Packaging LLC

Tax Phase-In Schedule – Real Property

Real Property	
Year	Abatement
1	100%
2	95%
3	80%
4	65%
5	50%
6	40%
7	30%
8	20%
9	10%
10	5%
11	0%

Tax Phase-In Schedule – Personal Property

Personal Property	
Year	Abatement
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	10%
11	0%

